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SUBJECT: IMPROVEMENTS ON DOMINICAN SUGAR PLANTATIONS: THE

VICINI PERSPECTIVE

¶1. SUMMARY: Observations from visits in March and on August 25 indicate that the Vicini consortium, one of the two largest private producers of sugar in the Dominican Republic, has substantially improved working conditions associated with its Cristobal Colon plantations. These changes come amidst company efforts to automate operations, which if successful could reduce the consortium's seasonal workforce from 1,800 to 300 within five years. Improvements include company action to discontinue annual importation of trafficked workers from Haiti, to stop using child labor, to allow employees the freedom to leave their jobs, and to replace substandard living barracks with more humane residences. Increased media coverage of the plight of Dominican sugar cane workers and government crackdowns on employment of migrant workers could be part of the impetus behind some of the changes. While these improvements are significant, and possibly temporary, deficiencies remain. END SUMMARY.

THE VICINI CONSORTIUM

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¶2. The Vicini Group is owned and controlled by the Vicini family, one of the wealthiest in the Dominican Republic. The company is the second-largest private producer of sugar in the Dominican Republic, and is responsible for around 13% of the sugar produced in the country; the largest producer, Central Romana Corporation, is responsible for 74%. The Vicini family has owned and operated the Cristobal Colon sugar plantation since 1890.

BIG SUGAR'S RELIANCE ON MIGRANT WORKERS

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¶3. Like other producers in the Dominican sugar industry, the Vicini Group has traditionally relied heavily on seasonal migrant workers from Haiti to cut and harvest the sugar cane it grows. Such workers have played a vital role in Dominican sugar production since the 19th century, but it was Trujillo who negotiated and signed the first formal bilateral labor contract with Haiti in 1952, under which 16,500 workers were recruited and brought into the country to cut cane. The practice of recruiting Haitian workers under this system continued until the fall of Duvalier in 1986. Since then, independent agents called "buscones" have informally managed the recruiting of Haitian cane workers smuggled into the country. That these schemes can be orchestrated on such a large scale is a testament not only to the corruption that has plagued Dominican military and immigration institutions, but also to the political and economic significance of the

sugar industry in the country.

¶4. Since the 1890s Haitian migrant workers have been housed in "bateyes" (company towns or barracks), which tend to be situated next to the sugar plantations. Theoretically, workers remain on the bateyes only for the six months of sugar harvesting season, but in practice many migrants remain year-round, in part because Haitians who leave the relative security of the bateyes subject themselves to police harassment and deportation. Many workers are joined by their wives and children. The majority of workers on bateyes typically lack such basic services as electricity and running water, living in much the same way as they did a hundred years ago, though Vicini workers apparently have access to running water. Traditionally, bateyes have been largely isolated from Dominican society and ignored by the Dominican government, which has permitted them to operate in open violation of labor and immigration regulations.

¶5. Until recently, cane-cutting operations had changed little over 70 years. Cane cutters typically work in teams of six men to cut the cane, load it onto ox-drawn carts and haul it to central weighing stations. Cane cutters are paid based on the weight of the cane they harvest. During a March 2006 visit, plantation manager Camos de Moya told Consul General Clyde Bishop that an experienced cane cutter can earn up to 500 pesos (US \$15) per day -- about 5 times the nationally mandated wage for agricultural workers. De Moya appears to have been exaggerating. Vicini Group workers are paid RD 86 (US \$2.50) per ton of sugar cane processed manually, and only the strongest workers are able to process more than two tons in a day. Embassy political officers verified this estimate during a recent visit to the site, by inspecting pay stubs of a number of workers. Most workers typically earn the equivalent of between US \$2.50 and \$4.00 per 12-hour workday, out of which they must pay a percentage to the company for Dominican social security and pension

funds -- money, they say, they never see again.

¶6. During the six-month off-season workers who remain on the plantation receive far less. The company provides them with some employment, but workers are often unable to earn even a dollar a day through the tasks they are given. During the August 2006 visit, at around 2 p.m. on a weekday, political officers asked workers and their children what they had eaten during the day. The answer: "Nothing, because when there is no work, there is no food."

HUMAN RIGHTS COMPLAINTS

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¶7. Representatives of human rights organizations say the de facto autonomy of Dominican sugar producers has created sugar fiefdoms where human rights violations are committed with impunity. Organizations say that Haitian workers are trafficked under false offers of work in different sectors, only to be forced into cane cutting upon arrival; that child labor is regularly used in harvesting activities; that medical attention is limited or unavailable; that living and working conditions are dangerously unsanitary; that workers are kept against their will in slavery-like conditions, and are punished for attempting to escape; and that basic housing and nutritional needs are not met for workers in the bateyes.

¶8. Over the past five years, one activist in particular -- Father Christopher Hartley, working with the backing of the Catholic Church -- has insistently approached the Vicini Group and others with complaints of human rights violations. Father Hartley is a dual-national Spanish/British Catholic priest assigned to minister to the communities in the agricultural areas of San Pedro de Macoris, both those on the Vicini holdings and others on nearby government-owned holdings. To the consternation of the Vicini family, his efforts to focus attention on the plight of migrant workers have borne fruit: three documentaries on the subject have been released (Vicini representatives deny that footage was

filmed on Vicini property, in contradiction of Hartley's claims), and five more are in the works; a major big-screen production on the sugar sector starring Jodie Foster is on the horizon; the State Department's Human Rights Report has commented about Vicini company practices; and scores of newspaper articles and NGO reports have cited Father Hartley as a major source. Father Hartley is now a well-known public figure in the Dominican Republic, sufficiently controversial and threatened that the government provides him armed guards for his security.

PLANS TO AUTOMATE OPERATIONS

¶9. In March 2006, Consul-General Bishop visited the Cristobal Colon plantation at the invitation of Felipe Vicini. During that visit Mr. Vicini explained that his company had recently instituted a policy barring the hiring from Haiti of migrant workers. Vicini said the firm had determined that long-term workers are more productive than short-term ones; he conceded that international human rights concerns also played a role. A recently announced government decision to stop allowing owners of sugar plantations to hire new workers from Haiti could be another factor driving the company's decision. Carlos Amarante Baret, Director of the Dominican Immigration Agency, announced the new policy in January, but it remains unclear whether it has been enforced.

¶10. Regardless of its rationale, the effects of this new policy were evident during an August 2006 visit where Embassy political officers visited the facility in the company of Father Hartley. Hartley said that the 2005-2006 harvest season was the first in memory without the arrival of thousands of Haitian migrant workers, many trafficked. The absence of new Haitian migrant workers was independently confirmed by current batey residents. Hartley strongly approved of this change, noting that if this policy continued then the Vicini Group would be obliged to automate its operations further.

¶11. Automation appears to be exactly what management has in mind. As Felipe Vicini explained to the Consul General, a single mechanical cane harvester replaces 250 cane cutters. With mechanization Vicini hopes to increase production levels significantly while reducing production costs from \$0.12 a pound to \$0.10. This would follow the lead of La Romana Corporation, whose operations are already 80% automated.

Vicini expects automation to reduce the seasonal workforce from 1,800 to 300 within five years, eliminating 19 of the 22 bateyes in the plantation. Vicini said that the consolidation of the bateyes would allow the company to provide better housing facilities, effective medical attention and schooling to children of the long-term residents. He claims that, over the long-term, these consolidated bateyes would become incorporated legal municipalities.

OTHER IMPROVEMENTS

¶12. Father Hartley was pleased to discuss a number of other improvements he had witnessed over the past year. He said that child labor was now strictly prohibited on the company's facilities. He saw this as a fundamental change from previous years, when children were routinely called upon to assist in planting responsibilities. During the August visit, signs outlawing child labor were posted throughout the plantation, even though most migrant workers cannot read or write.

¶13. Another major improvement was new and improved housing for batey residents. Consul General Bishop noted relatively clean and orderly housing on the site, most of it built over the past year. Previous barracks-style residences were dirty, unsanitary, and small, and multiple families were

routinely forced to share the same quarters. Those facilities were a frequent target of criticism, and were singled out by the Ambassador during his 2003 visit to the premises. They have now been completely bulldozed and the debris has been removed from the plantation. Similar barracks are visible on government-owned property and Hartley says such conditions exist on the La Romana plantations.

¶14. Batey workers on Vicini operations also now have the freedom to terminate their employment whenever they choose to do so. Previously, those who wished to quit were not allowed to leave their jobs. Those who attempted to sneak away were often caught; Hartley says they were punished with beatings or forced deportation.

DEMANDS UNADDRESSED
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¶15. Father Hartley continues to emphasize three key unmet demands: First, that workers be provided with electricity. Second, that workers be provided a job contract which clearly states the conditions of their employment (this is also a requirement under Dominican law). Third, that the company provide supervision at each of the weighing stations. Hartley says that fraud is a huge concern at the weighing stations, and that workers are often shorted in the assessment of their tonnage and underpaid for their work.

¶16. Working with local attorneys, Hartley is preparing the groundwork to launch class-action lawsuits demanding not only written work contracts, but also accountability for medical insurance deductions, in the event that formal administrative appeals fail to resolve these issues.

¶17. (Drafted by Alexander T. Bryan and Alex Sokoloff.

¶18. (U) This report and extensive other material can be consulted on our SIPRNET site,
<http://www.state.sgov.gov/p/wha/santodomingo/> .
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